IN THE CLAIMS

1. **(withdrawn)** A method of gathering the collection of an impound tax account transaction system

by a network means, said method comprising the steps of:

interlinking a credit card account transaction data feed input comprising at least one of:

a merchant credit card terminal;

a networked account transaction application; and

a transaction application;

relaying said account transaction signals to service provider network;

allocating said account transaction based on impound tax system criteria comprising

debiting said account transaction for at least one of:

a tax amount from merchants gross credit card receipts;

a state tax lien;

a value added tax; and

a system customizable amount;

escrowing said account transaction deposit;

networking said account transaction allocation deposit;

securely signaling a web based transaction application record of said account

transaction escrow fund reception to at least one of:

a tax authority; and

a merchant credit card terminal;

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said service provider network signaling said account transaction charges received by electronic funds processor; and

said electronic funds processor debiting customizable selected fee percentage of said account transaction;

remitting said account transaction balance networked to interlinking credit card account transaction data feed comprising:

a merchant credit card terminal,

a networked account transaction application,

a transaction node;

interlinking to said account transaction comprising a merchant's bank account; and

allocating from said account transaction allocation based on customizable system criteria

comprising allocation of net funds to said merchant account.

2. **(withdrawn)** A method of gathering the collection of an impound tax account transaction by a network, said method comprising the steps of:

interlinking a plurality of merchant point of sale terminal network functionality links of a plurality of merchants at different link locales, each terminal network functionality link including credit/debit card functionality and cash payment functionality for enabling the receipt of payment of said account transaction;

gathering credit/debit card payment and information from the sale transactions of said merchant terminal network functionality of at least one of a plurality of said merchants for said account transactions;

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calculating tax impound information for each individual payment of said account transaction at a selectable or a dedicated transaction node;

accumulating the customizable amount comprising a lien percentage of said account transactions for each terminal network link during a customizable time interval;

storing accumulated total of tax for said account transaction impound information for each interlinked terminal network functionality of said account transaction;

relaying to merchant computer functionality from at least one of:

said terminal network functionality;

centralized network tax impound transaction server; and

decentralized network tax impound transaction server a message for said account transaction comprising:

the accumulated totals of tax information for at least one of said terminal network functionality for said account transaction; and

the identification of the merchant terminal network functionality;

relaying said message of said account transaction;

generating an authorization code to instruct the merchant bank to impound the taxes of said account transaction;

directing the tax payment based on customizable impound system criteria allocation of merchant criteria for said account transaction; and

confirming payment via network said account transaction status via visualization functionality.

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3. (withdrawn) A system for gathering the collection of an impound account

transaction tax system by a network, said system comprising:

an interlink linking credit card account transaction data feed input from:

a retail credit card terminal;

web based internetworked account transaction application; on

other account transaction application;

a relay relaying account transaction signals to service provider bank network; means

for allocating account transaction based on impound tax system criteria, said criteria

comprising debit functionality of said account transaction for at least one of:

a tax amount from retailers gross credit card receipts of said account transaction;

a state tax lien for said account transaction;

a value added tax for said account transaction; and

a system customizable amount for said account transaction;

escrow for said account transaction deposit;

deposit functionality for internetworking said account transaction allocation deposit;

secure signal functionality signaling a web based transaction application record of

said account transaction escrow fund reception;

to at least one of:

a tax authority;

a retail credit card terminal; and

a web based transaction application;

said service provider bank network signaling said account transaction charges

received

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by electronic funds processor; and

debit functionality for said electronic funds processor debiting customizable selected fee percentage of said account transaction;

remittance functionality for remitting said account transaction balance networked to interlinking credit card data feed for account transaction, said data feed received from at least one of:

retail credit card terminal;

a web based networked for said account transaction application; and

other transaction application node for said account transaction;

interlink for interlinking to said account transaction comprising a merchant's bank account; and

allocation functionality for allocating from said account transaction based on customizable system criteria comprising an allocation of net funds of said account transaction to retailer account.

4. (withdrawn) A system for gathering the collection of an impound tax of an account transaction by a network, said system comprising:

interlink functionality for interlinking a plurality of merchant point of sale terminal;

network links of a plurality of merchants at different link nodes each of said terminal network links including credit/debit card functionality and cash payment functionality for enabling the receipt of payment of account transactions at least one;

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collection functionality for gathering credit/debit card payment and information from the sale transactions with the merchant terminal network links by a group of merchants for said account transaction;

calculation functionality for calculating tax impound information for each individual payment transaction at a selectable or a dedicated transaction for said account transaction;

accumulation functionality for accumulating for said account transaction selected percentage for said account transaction comprising lien percentage of said account transaction for each terminal link during a customizable time interval;

storage functionality for storing accumulated total of tax impound information for each of said interlinked terminal for said account transaction;

relay functionality for relaying a message of said account transaction comprising the accumulated totals of tax information of said account transaction for a given terminal, identification of the merchant terminal of said account transaction and functionality for relaying the message, said message being relayed to merchant computer means from at least one of:

said terminal networks;

centralized network tax impound transaction server; and

decentralized network tax impound transaction server;

authorization functionality for generating an authorization code to instruct the merchant bank to impound the taxes of said account transaction;

functionality for directing the tax payment based on selected impound system criteria allocation of merchant criteria for said account transaction; and

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payment confirmation functionality for confirming payment to network for said account transaction via at least a visualization application.

5. (withdrawn) The system of claim 3, wherein said account transaction functionality comprises a customizable account allocation including at least one of:

gross funds of said account transaction;

net funds comprising gross funds less tax amount due to customizable account transaction allocation percentage said net funds comprising

an amount based on criteria established by a pertinent taxing authority;

any applicable service provider fee;

6. (withdrawn) The system of claim 5, further providing confirmation of final account transaction allocation status.

7. (withdrawn) The system of claim 3 wherein the system uses object orientated programming construction of systems functionality.

8. (withdrawn) The system of claim 3, wherein communication of digital signals in said systems employs machine code, Java, C, C#, C++, XML, markup language, PERL, CORBA messages ISO 8583 data, SSL data, DES signals, digital signals, PKI, certificates, biometrics data, SOAP messages, data objects, Java Beans, SQL data, SML data, DTD data, Kerberos data, UDDI data, assembly language, or machine language.

9. (currently amended) A method for impounding escrow funds from credit/debit card transactions of a merchant <u>transacted by the merchant at a merchant credit/debit card terminal for processing</u> by an electronic funds processor (EFP), <u>wherein processing of the credit/debit card transactions by the EFP includes the steps of processing credit/debit card transaction authorization requests received from the merchant, processing credit/debit card transaction authorizations received from one or more credit/debit card issuers to the merchant, and processing payment requests from the merchant concerning authorized credit/debit card transactions,</u> the method comprising the <u>additional</u> steps of:

<u>determining by the EFP an escrow portion for a payment associated with each credit/debit card transaction request by the merchant;</u>

<u>storing by the EFP information about each credit/debit card transaction request, including information about the escrow portion;</u>

~~receiving an authorization for payment from one of a plurality of credit card issuers for each of one or more credit/debit card transaction authorization requests submitted by the merchant;~~

~~determining an escrow portion of the payment for each authorized transaction of the merchant;~~

~~storing information about the escrow portion for each authorized transaction of the merchant;~~

~~receiving of a request from the merchant for payment for one or more of the authorized transactions;~~

determining <u>by the EFP</u> an escrow amount <u>for one or more credit/debit card transaction payment requests based on</u> ~~from~~ the stored information; and

crediting <u>by the EFP</u> an escrow account ~~of the merchant~~ with the escrow amount.

10. (currently amended) The method of claim 9, further comprising the step of crediting <u>by the EFP</u> a merchant account with a net credit representing a sum of payments due ~~for the one or more credit/debit card transaction authorization requests~~ <u>for the one or more credit/debit card transaction payment requests</u> less the escrow amount.

11. (currently amended) The method of claim 10, wherein the EFP debits from the net credit ~~credited to the merchant account is further reduced by the amount of~~ a service fee specified by a ~~credit~~ <u>credit/debit</u> card issuer ~~authorizing the one or more authorized transactions~~.

12. (currently amended) The method of claim 10, wherein <u>the EFP debits from</u> the net credit ~~credited to the merchant account is further reduced by the amount of~~ a service fee specified by the EFP.

13. (currently amended) The method of claim 9, wherein <u>a service fee specified by an escrow account provider is debited from</u> the escrow amount ~~is reduced by the amount of a service fee specified by an escrow account provider~~.

14. (currently amended). The method of claim 13, wherein the escrow account provider is ~~selected from~~ one of the EFP, a merchant bank and other ~~credit~~ <u>credit/debit</u> card ~~transaction processors~~ <u>service providers</u>.

15. (currently amended) The method of claim 9, wherein the escrow ~~portion~~ <u>amount</u> represents a tax owed with respect to ~~a cardholder transaction associated with the requested payment~~ <u>the payment requests</u>.

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16. (currently amended) The method of claim 15, wherein the tax owed is determined as a function of a tax rate for a tax jurisdiction identified to the ~~cardholder transaction~~ payment requests.

17. (previously presented) The method of claim 16, wherein the tax rate is associated with at least one of a sales tax schedule, a value-added tax schedule and a garnishment schedule.

18. (currently amended) The method of claim 17, wherein the tax rate is increased by a predetermined amount over the tax rate of ~~a~~ the jurisdiction to facilitate payment of back taxes.

19. (previously presented) The method of claim 9, wherein the escrow account is a merchant savings account.

20. (currently amended) The method of claim 9, further comprising the steps of:

~~determining from an authorization for payment~~ identifying by the EFP that ~~the~~ a payment ~~request~~ is exempt from impounding escrow funds; and

~~determining~~ assigning the escrow portion of the exempt payment to be nil.

21. (previously presented) The method of claim 13, further comprising the step of providing the information about the escrow portion to at least one of the merchant and the escrow account provider.

22. (previously presented) The method of claim 21, wherein the information about an escrow portion is provided in combination with a sales draft.

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23. (previously presented) The method of claim 9, further comprising the step of providing escrow account information to the merchant via a secure web site.

24. (withdrawn) A method for impounding escrow funds from cash transactions of a merchant by an electronic funds processor (EFP), comprising the steps of:

receiving a cash transaction report from the merchant;

determining an amount for deposit in a merchant escrow account based on the cash transaction reporting message;

debiting the deposit amount from merchant funds; and

crediting the merchant escrow account with the amount for deposit.

25. (withdrawn) The method of claim 24, wherein the merchant funds are debited from a merchant bank account.

26. (withdrawn) The method of claim 24, wherein the cash transaction report is provided by the merchant via a merchant credit/debit transaction terminal, and authorized by at least one of a cash transaction tax debit card and a personal identification number (PIN).

27. (withdrawn) A method for impounding escrow funds of a merchant by an escrow account service provider, the method comprising the steps of:

receiving a credit of escrow funds from an electronic funds processor (EFP), the credit identifying a merchant and a transaction period;

depositing the credit in an escrow account for the merchant;

determining an escrow payment schedule for the merchant to one or more entities; and

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debiting the escrow account to make a payment according to the schedule.

28. (withdrawn) The method of claim 27, wherein the one or more entities includes one or more tax agencies.

29. (withdrawn) The method of claim 27, wherein the one or more entities includes a service provider providing a merchant savings account.

30. (withdrawn) The method of claim 27, further comprising the step of:

debiting an escrow account service fee from the merchant escrow account.

31. (withdrawn) The method of claim 27, further comprising the step of:

providing escrow account information to at least one of the merchant and a tax authority.

32. (withdrawn) The method of claim 31, wherein the escrow account information includes at least one of gross sales, sales tax collected, sales tax paid and net sales for the merchant.

33. (withdrawn) The method of claim 32, wherein the escrow account information is provided for one or more predetermined time periods.

34. (withdrawn) The method of claim 33, wherein the predetermined time period is one of monthly and quarterly.

35. (withdrawn) The method of claim 32, wherein the information is provided to the merchant at a merchant terminal.

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36. (withdrawn) The method of claim 32, wherein the information is provided in a sales draft.

37. (withdrawn) The method of claim 32, wherein the information is provided to the merchant via a secure web site.

38. (withdrawn) The method of claim 28, wherein the transaction period is one of daily, monthly and quarterly.

39. (new) The method of claim 9, wherein the EFP notifies a credit card issuer of the escrow amount and the credit card issuer credits the escrow account with the escrow amount

40. (new) The method of claim 10, wherein the merchant account is credited by one of the EFP and one of the plurality of credit card issuers.

41. (new) A method for electronically impounding escrow funds by an electronic funds processor (EFP) relating to cash transactions of a merchant, comprising the steps of:

receiving by the EFP one or more cash transaction reports reported by the merchant electronically at a merchant credit/debit card terminal;

determining by the EFP an amount for deposit in a merchant escrow account based on the one or more cash transaction reports;

electronically debiting by the EFP the deposit amount from a source of merchant funds; and

crediting by the EFP the merchant escrow account with the amount for deposit.

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